

State of South Dakota

NINETIETH SESSION
LEGISLATIVE ASSEMBLY, 2015

472W0570

HOUSE BILL NO. 1178

Introduced by: Representatives Partridge, Dryden, Gosch, Hawley, Heinemann (Leslie), Jensen (Alex), Klumb, Novstrup (Al), Rozum, and Westra and Senators Rave, Greenfield (Brock), Lederman, Novstrup (David), Peters, Solano, and White

1 FOR AN ACT ENTITLED, An Act to provide for the creation of an entity for the purpose of
2 insurance contracts in certain instances.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That chapter 58-10 be amended by adding thereto a NEW SECTION to read as
5 follows:

6 A person who has an insurable interest in the life of an individual settlor pursuant to § 58-
7 10-4(1) to (6), may create an entity solely for the purpose of purchasing, holding, or
8 administering an insurance contract on the life of the individual settlor. Neither an insurance
9 policy issued to the entity nor any ownership interest in the entity itself may be sold or
10 voluntarily transferred to any entity other than one with an insurable interest in the life of the
11 same individual settlor pursuant to § 58-10-4(1) to (6). For purposes of this section, entity, has
12 the same meaning as the definition of, person, in § 58-1-2(14).

